



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 9, 2000

E. Mark Braden, Esq.
Baker & Hostetler
1050 Connecticut Ave., N.W., Suite 1100
Washington, D.C. 20036-5304

RE: MUR 4885
Gary G. Jacobs
Mrs. Gary G. Jacobs
Laredo National Bank

Dear Mr. Braden:

On March 8, 2000, the Federal Election Commission accepted the signed conciliation agreement submitted on your behalf of your clients, Mr. Gary Jacobs and Laredo National Bank, in settlement of violations of 2 U.S.C. §§ 441b(a) and 441f, provisions of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter.

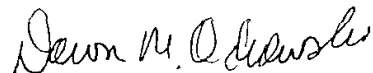
The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

Enclosed you will find a copy of the fully executed conciliation agreement for your files. As we discussed last month, with your agreement, we have substituted the first two pages of the conciliation agreement with pages that do not bear the fax transmission lines. The third page remains as we received it from your office because it bears the original signature of

Mr. Jacobs. Please note that the civil penalty is due within 30 days of the conciliation agreement's effective date of March 9, 2000. If you have any questions, please contact me at (202) 694-1650.

Sincerely,



Dawn M. Odrowski
Attorney

Enclosure
Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	MUR 4885
Laredo National Bank)	
Gary G. Jacobs)	

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Gary G. Jacobs knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441f and that Laredo National Bank violated 2 U.S.C. §§ 441b(a) and 441f (collectively, "Respondents").

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Respondent, Laredo National Bank, is a national bank headquartered in Laredo, Texas.

2. Respondent, Gary G. Jacobs, is an individual and the president of Laredo National Bank.

3. The Federal Election Campaign Act of 1971, as amended ("The Act"), prohibits a national bank from making a contribution or expenditure in connection with any election to any political office and prohibits any officer or director of a national bank from consenting to any such contribution or expenditure. 2 U.S.C. § 441b(a).

4. The Act further provides that no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution. 2 U.S.C. § 441f. The term "person" includes a corporation. 2 U.S.C. § 431(11).

5. On April 3, 1995, Gary G. Jacobs made a \$15,000 contribution to the Republican National Committee ("RNC").

6. On April 4, 1995, Gary G. Jacobs was reimbursed by Laredo National Bank for the \$15,000 contribution that he made to the RNC.

7. On February 28, 1998, Gary G. Jacobs repaid Laredo National Bank for its reimbursement of his contribution to the RNC.

V. Respondents violated 2 U.S.C. §§ 441b(a) and 441f in connection with Laredo National Bank's reimbursement of Gary G. Jacobs for his contribution to the RNC.

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of fifteen thousand dollars (\$15,000) each, for a total of thirty thousand dollars (\$30,000), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof

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has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lawrence M. Noble
General Counsel

BY: [Signature]
Lois G. Lerner
Associate General Counsel

3/9/00
Date

FOR THE RESPONDENTS:

[Signature]
Name
Position

Date

Feb-23, 2000

[Signature]
Name
Position

Feb, 23, 2000

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